

Social Questions

BULLETIN

of the Methodist Federation for Social Service (unofficial), an organization which rejects the method of the struggle for profit as the economic base for society; which seeks to replace it with social-economic planning in order to develop a society without class distinctions and privileges.

Volume 36

MARCH, 1946

Number 3

The Independence Movement in Indonesia

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The foundation of the Indonesian Republic must be seen as a part of a vast democratic movement which at present is sweeping large sections of the world. This movement is nothing less than an agrarian revolution, the rebellion of millions and millions of peasants in Asia and Europe against substandard living conditions. Its extent can be understood if we realize that in China and India alone lives nearly one half of mankind. By far the largest part of the world's population consists of peasants living on the verge of starvation under the rule of feudal landlords or imperialist corporations. Despite bloody suppression, they have never been entirely subdued and peasant rebellions have been a constant feature of feudalism and of the colonial system. The Global War has now made a deep impression upon the colonial and semi-colonial people, as well as upon the peoples of the former semi-fascist countries in Eastern Europe. The leading world powers, even Japan, have made many promises of freedom, democracy, and self-government, embodied in such documents as the Atlantic Charter. Moreover, large numbers of colonial and semi-colonial people, as well as people from semi-fascist countries, such as the Chinese, Indochinese, Indonesians, Indians, Yugoslavs, Poles, and Negroes, have actually participated in the struggle against fascism. This has stirred the hopes and ambitions of millions and millions of men and women to whom any democracy has been denied for centuries. Though the most politically active and leading elements in the colonial and semi-colonial independence movements are often the intellectuals the industrial and transportation workers, at the heart of the movement is always the peasant, at last asserting his right to self-government and a minimum standard of health and decency.

Indonesia is an island empire of which the total area is one-fourth of the size of the United States, stretching three thousand miles from the east point of Sumatra to the west point of New Guinea, and inhabited by over seventy million men and women. More than one half of these inhabitants live on one island, Java, which has a density of population of 815 per square mile. This is much larger than that of any other agrarian country in the world, even Bengal or Japan, and comparable only to highly industrialized Belgium. Only 250,000 inhabitants— $\frac{1}{4}$ per cent—are Europeans, and there are 1.2 millions Chinese—2 per cent of the population.

The native population varies in economic and cultural background. There is considerable difference between the Javanese, heir to an age-old culture, and the primitive

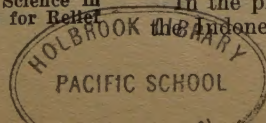
Papuan of New Guinea. Imperialist propaganda, in Indonesia as well as in India, likes to stress these differences as a justification for a Western overlord, but they should not be exaggerated. The Indonesians have a common bond in religion, nine-tenths of the population being Mohammedans; they are developing a common language, Malay, now more and more accepted as a *lingua franca* throughout the archipelago; and they are facing the same imperialist domination, since nearly the whole of Indonesia has been under Dutch rule for many generations, and under Japanese rule during the war years.

The Dutch rule was established in the seventeenth century, in the first place on Java, the richest of the islands. For two centuries a private company, the East India Company, ruled the island by the old colonial methods of straight piracy. After the Napoleonic wars, the Dutch government took over, and established a system of government monopolies and compulsory cultivation of export crops. The excesses of this system became widely known after the publication of Multatuli's "Max Havelaar", a book which played for the Dutch East Indies a role similar to that of its contemporary "Uncle Tom's Cabin", in the United States. After 1877 the policy of government monopolies was abolished and was followed by the so-called liberal policy, which emphasized free enterprise. This again was modified around 1900, with the advent of modern imperialism, which also brought rival imperialisms in Germany and Japan.

This modern policy of the Netherlands with respect to Indonesia was based on a stimulation of colonial exploitation by government encouragement of new enterprises, and of the full use of modern scientific and technological methods. This was combined with the encouragement of native groups willing to collaborate with the Dutch, the granting of some educational facilities, the stimulation of irrigation for the native villages and the plantations, and the introduction in some centers of modern methods of sanitation. Under this policy the enormous resources of the country were developed as never before. Indonesia now provides 40 per cent of the world's rubber, 19 per cent of the tea, 20 per cent of the tin, 92 per cent of the pepper, 60 per cent of the bauxite, 91 per cent of the cinchona bark, and is number five in rank among the world's oil producing centers. To achieve this impressive record of economic expansion the Dutch have invested more than a billion dollars. They have also admitted investment by other nations in Indonesian enterprises, so that there are considerable British, French, Belgian, and American interests. United States capital investment has been estimated at 380 million dollars. A native bourgeoisie has gradually developed, especially in the culture of rubber.

In the present controversy between the Dutch, the British, the Indonesians and the rest of the world, the Dutch point

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to their achievement with considerable and justifiable pride. Among positive aspects of their administration they point also to considerable scientific and technological achievements. It was on *beri beri* research in Indonesia that Doctor Eykman did his pioneer work in vitamins. The botanical garden at Buitenzorg is one of the most important in the world. A few months ago the Board for the Netherlands Indies, Surinam and Curacao published an impressive book "Science and Scientists in the Netherlands Indies", edited by P. Honig and F. Verdoorn, from which we can obtain a good picture of the amount of constructive work accomplished in Indonesia under Dutch leadership. It is also true that among Dutch civil administrators there have always been several who despised the imperialist outlook of many of the planters and their ilk, and who really tried to do a good and honest job for the Dutch and the Indonesians alike.

From their point of view the Indonesians do not deny these important facts. Only they also point to other aspects of Dutch rule, which substantiate their claim that the relations between the Dutch and the Indonesians have to change radically before friendship between the two peoples will be possible. In the first place, though the Dutch have called their modern methods an "ethical policy", they have not invested their money merely to satisfy a mystical craving to carry the "white man's burden". They have realized handsomely on their investments. The average annual returns from Indonesia to the Netherlands have been estimated at 160 million dollars. This explains to a considerable extent the prosperous appearance of the Netherlands before the war. For Indonesia it meant absentee ownership with all the evils it implies, including a large number of government employees going to Indonesia merely to earn a living—a living simplified by many servants—who hope to return to the Netherlands to live a life of comfort and leisure.

In the second place, Indonesians point out, there is no evidence that the native population has benefited much from all this investment of capital and brains. The tax, to be paid on all incomes above fl. 900,¹ was paid in 1927 by 66,000 Europeans, one fourth of the total; by 40,000 Chinese; and by only 31,000 native Indonesians, of whom 26,000 earned less than fl. 2500—a little more than a thousand dollars a year. Incomes of most Indonesians are extremely low. Even in the handpicked People's Council, the complaint was raised that a plantation superintendent gets fl. 7.50 a day, while his coolie works for 7-8 Dutch cents a day. Indonesian sailors used to work for three dollars a month until action by the National Maritime Union compelled their employers to improve these wages somewhat.

The Javanese village, the *desa*, is a poetic place to look at, with its rice fields, its cottages, and the volcanoes in the background. The peasants, however, are desperately poor. Since the Dutch have discouraged the growth of industries for many decades, holdings in Java are very small and the symptoms of "over population" have developed on an alarming scale. Crushing taxes and feudal services burden the peasants, and on top of this came the economic depression of the thirties, which reduced the meager income of the peasants catastrophically.

A deep grievance of many Indonesians is the utter lack of self government and the endless struggle to obtain even the most elementary democratic rights from the Netherlands administration. Under the influence of the first wave of the nationalist movement, during the first World War, the Government established the so-called People's Council, which was as much of a real people's council as the policy on which it was based was "ethical." The country is ruled by a Governor General appointed by the Crown, with extraordinary rights. The People's Council consists of 30 Indonesians, 25 Hollanders, and 5 non-native Asiatics. Of these, 20 Indonesians, 15 Hollanders, and 3 non-native Asiatics are elected, and the others are appointed by the Governor General, who

moreover has the right to override the wishes of the Council. It used to meet twice a year, but had no power to pass laws. Though elections to native village councils have some semblance of democracy, as in many other parts of the Orient, the influence of the native population on the higher executive bodies, especially on the People's Council, is negligible.

Another grievance is the neglect of Indonesian education by the Dutch administration, despite all protestations of the Dutch to the contrary. The number of illiterates in Indonesia is still estimated at more than 90 per cent. In 1937 only one out of eleven children were in schools, and the *desa* schools, kept by the villagers themselves, suffered from the poverty of the people. On top of this came a large reduction of the educational budget in the years 1929-36, during the depression. This neglect of native education is closely connected with the stifling of Indonesian industries before 1930, when under the impact of growing Japanese aggression, some measures were taken to make Indonesia a little more self-sufficient. The developed industries were light ones, such as textiles, but in 1936 only one and a half million Indonesians were in industrial occupations, most of them in small shops.

One of the deepest grievances of the politically more developed Indonesians has been the discouragement and often the bitter suppression of the nationalist and progressive movement. The roots of this movement go back to the years before the first World War, when a Mohammedan mass movement developed, the *Sarakat Islam*, which in 1917 declared for independence. The *Sarakat Islam* disintegrated gradually under fractional struggles. Trade unions developed, and in 1919 a Central Trade Union was established, which conducted several strikes. In 1920 the Communist Party followed, and several other organizations, mainly of Indonesian intellectuals, some of whom supported collaboration with the Dutch toward participation of the native population in the government, others standing for freedom from imperialist rule. Some of the more radical organizations were suppressed, others were placed under constant and arbitrary police supervision. A six weeks revolt on Java in 1926 was violently broken, but unrest and discontent remained, deepened by the economic depression and the measures of the Indonesian government. A token of this unrest was the mutiny on the warship "The Seven Provinces", which was taken over by an Indonesian crew, and which again was bloodily suppressed without any deeper analysis of the desires of the native population.

One of the aspects of a colonial policy is the use of one oppressed nation against the other. The Dutch have always refused the formation of an Indonesian army, which is the main reason that the enormous empire fell to the Japanese in one month of fighting. They have used, however, special contingents of Indonesians in the colonial army, taken from some islands where the native population has a different background and religion. Another form of suppression has been a whole series of laws to discourage political movements which do not please the colonial rulers, and which even approach the "dangerous thoughts" laws of Japan. After the revolt of 1926 the government instituted a concentration camp in the swamps of New Guinea, the infamous Digul camp, where hundreds of Indonesian nationalists were dumped and left to rot. Several leaders of the present Indonesian government have learned in this way the meaning of Dutch "ethical" policy. And while this was going on, the Dutch Nazi leader, Mussert, came to Indonesia and was cordially received by many of the highest officials.

The present rebellion against the Dutch rule—we are not supposed to call it "colonial" rule since the word "colonial" was removed from the Netherlands constitution in 1922—is the logical outcome of three hundred years of Dutch neglect to take the interests of the large masses of the population into serious account. On top of this comes American, British, and Dutch emphasis on the Global War as a fight for democracy. Even the Japanese, with their sham "Asia

¹ One guilder (abbreviated fl.)=40 American cents (par). One guilder is equivalent to one hundred (Dutch) cents.

for the Asiatics" have fanned this fire. There is no doubt that large masses of Indonesians have taken these hopes seriously. There is also no doubt that the Dutch themselves have been deceived by their own propaganda, which for years has stressed the willingness of the native population to collaborate with imperialism. All strong expression of nationalist feeling was derided as the work of "malcontents", or even of "bandits". Now the official imperialist news handouts bristle with words like "extremists", not to speak of "Japanese propaganda." These same news agencies make perfectly clear, however, that in Indonesia we have to deal with a genuine independence movement, backed by the majority of the Javanese population, and meeting with strong sympathies outside of Java, especially on Madura and on Sumatra.

Public opinion in the Netherlands, and in the Netherlands administration of Indonesia, is divided. The Netherlands population, just liberated from German tyranny, is in part sympathetic with the Indonesians, especially since many Netherlandsers have always felt a bitter contempt for the mentality of the planter and his white man's burden. Other groups in the Netherlands demand the policy of the big stick, but even many of these feel very uneasy about the ruthless methods employed by the British, now engaged in wholesale killing of Indonesian nationalists, with the help of Japanese troops. The regular British soldier is unreliable for this purpose, as articles in the British press have indicated, so that Great Britain carries out its main activities with Indian mercenaries, Sikhs and Gurkas. These pro-

fessional soldiers have a Hindu or non-Moslem background, and as such have been systematically incited by the British against the Mohammedans. The Javanese are Mohammedans. Sharp criticism of this policy has come from Azad, the president of the Indian National Congress, and from Jinnah, the president of the All-India Muslim League. Large sections of the Australian population have also protested.

Americans, many of whom detest colonial policies, should insist that their government adopt a hands-off policy, and not give covert support to British and Dutch imperialism by delivering arms to them—shamefully withholding the American label, according to Mr. Byrnes' advice. The Stars and Stripes need no hiding when they stand for the rights of man. The training of Dutch soldiers on American soil for Indonesian service should also stop. Americans should insist on the realization of the only principle which can bring order in the multitude of serious nationalist aspirations in the world, the principle of the self determination of nations, including the right to select their own form of government. As to the Dutch, they have a chance to show great and constructive statesmanship by understanding the aspirations of the Indonesians. They should understand that the only way in which the Dutch and Indonesian peoples will be able to collaborate in the future, either inside or outside the same imperial boundaries, will be on a strict recognition of the right, not only of the Dutch, but also of the Indonesians, to full self determination.

The Moral Issue of Germany

MARTIN HALL¹

Two recent events have thrown a sharp and alarming light upon the problem of post-war Germany and in particular upon the responsibility of the United States for a sane and constructive approach to this problem in the American occupied zone. In Bavaria which lies entirely in the American zone fanatic remnants of the Hitler Youth, the so-called "werewolves," have openly attacked displaced persons camps, filled with Jewish refugees and have killed and injured several of the inmates. The situation has become so serious that, according to a report by the New York newspaper "P M" the new Bavarian minister, President Dr. Hoegner was forced to ask for increased military protection by our occupation army for these camps. Almost at the same moment in Frankfurt-on-the-Main, American Army Headquarters as elsewhere in the Pacific area, thousands of American soldiers have demonstrated for immediate release, among them troops who have not seen the war and were sent over to Germany after the cessation of hostilities. These demonstrations during which the soldiers booed the names of their commanding officers were held in full view of the German civilian population and one can guess what the effect of this spectacle must have been upon those observers who only yesterday cheered the leaders of the Nazi regime.

The two events have a close inner connection. They signalize for everyone with eyes to see and ears to hear a moral crisis of the first order that has already, half a year after Germany's surrender, arisen. The revival of Nazi activities, as shown in the attacks of the werewolves upon Jews under our protection, and the complete lack of any real understanding of the purpose of maintaining an American occupation force on German soil on the part of these occupation forces are only two outstanding symptoms for something that has been fundamentally wrong with our

approach to the treatment of defeated Germany from the very beginning.

We have failed to make an impression upon the Germans which is more than temporary fear, and we have failed equally to make our own soldiers understand the tremendous responsibility they have to carry in fulfilling a job of not only occupying, but educating Germany in a new spirit of European and world responsibility. As a result we have lost respect of all Germans, Nazis and anti-Nazis alike, and we face a breakdown of morale among our own troops that endangers the very safety of the victory for which their less fortunate comrades have given their lives.

The reason for this double failure is the same. Because, we ourselves have lacked clarity about the real issue for which the war was fought, we have not been able to tell our soldiers that the goal of their struggle can not be considered as reached by means of our military victory alone and that therefore their job now in the post-war period in Germany is at least as important as it was during the time of hostilities. Because of the same lack of clarity on the fundamental issue of the war we have not been able to tell the German people in what direction their own chance for recovery and re-emergence as a nation lies.

This war was not only fought to destroy Nazism and to make Germany incapable of continuing or starting again her policy of aggression. This war was fought to destroy fascism as the worst threat to civilization in our times, a threat that exists in every country, the United States not excluded. Fascism, in whatever form and no matter where has always developed for basically the same reasons. When the inner contradictions of a social system, that lacks planning, have become so explosive that normal methods of government along democratic lines seem to become insufficient to solve the immediate problems of society, there has always been a strong temptation to replace self-government by the rule of a strong leader, responsible to a greedy and powerful minority. That was the case in Germany as well

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as in Italy, in Japan as in Argentina. Powerful vested interests who feared that their social privileges might be threatened by the democratically formed will of the majority of a suffering people, will always try to resort to violence and dictatorship no matter under what kind of social-demagogic slogans to maintain these privileges at all cost. Democracy, on the other hand cannot function except under conditions where people have maintained a minimum of social security with the resulting balance of mind that will prevent them from becoming so desperate, that they will exchange political freedom for whatever "social security" a demagogic fascist leader in the pay of their enemies will promise them.

To make sure, then, that fascism will not rise again and throw the world into another and deadlier catastrophe of war, it cannot be enough to destroy fascist powers like the ones in Germany, Italy and Japan, but the real task of giving the world a chance for peaceful and democratic development will begin after the military victory was won. In the case of Germany and her post-war problems that means that, while de-Nazification of industry and administration, punishment of war criminals and complete disarmament were, of course, essential, the job of integrating Germany into a new European set-up, to make her a part of the continental rehabilitation program was a much more difficult and complex but absolutely essential task. It must include the creation of that minimum of social security for the Germans as well as for all other Europeans, without which we cannot expect even the beginning of a change of mind, of moral regeneration of a nation that has been so debased under the regime of Hitler, so demoralized by the crimes committed by the Nazi armies in the name of Germany.

No—we cannot shun our responsibility, neither for the peoples of Europe who became victims of Hitler's aggression and still fear Germany, nor to the German people who have just started slowly on the road back to a life without Gestapo and the terrible fear of spies. We have a tremendous responsibility and no mistakes of the past can be an excuse for running away from it now. There is an educational job to be done among those Americans, soldiers and civilians alike, who will have to stay, there is information to be given to our own country to make it understand the nature

of our obligations, there is the most urgent necessity of reaching a working agreement between the four powers now occupying Germany as to a unified over-all policy that has as its goal the rebirth of a morally rehabilitated Germany, and there is right now the necessity for a humane approach to the food, clothing and housing problem of Germany to prevent mass starvation and epidemics, in the interest of the peace and well-being of Europe as much as in the interest of a new and peaceful Germany.

The task is tremendous. The issue is basically a moral one. The Christian churches have a unique chance and a solemn responsibility to remind America of her noble, humane and Christian traditions at a moment when we seem to have forgotten that these traditions involve a moral obligation that can only be met in humbleness.

It seems that we have only seen the first part of this program. We have been convinced that a recognition of the guilt which the German people carry in the eyes of the world, a recognition by the Germans themselves, was the first condition for their rehabilitation. So we have hammered into their brains, dulled as they were by the impact of the most horrible devastation and defeat Germany has ever suffered, that they were all guilty, and we have gone much further by even insisting that they were all equally guilty. Obviously our efforts in this respect have been in vain. But the fault lies not so much in the inability of the German people as a whole to recognize their moral position as in the fact that our psychological and even our moral approach has been wrong. It is, of course, true that there can be no repentance without a feeling of guilt and that without repentance there is no redemption. What we have forgotten is that no sinner will repent unless some hope is held out for him if he does so. What we have further forgotten is that unless there are some valuable human elements in Germany who in time can become leaders of their nation on its way back into the family of civilized peoples, no effort, coming purely from the outside has any chance to succeed in changing German attitudes, and finally we have forgotten that, if we permit famine and utter desolation to spread in Germany not even the longest period of military occupation will prevent the spirit of revenge from rising again and eventually leading to a revival of the very Nazism we thought we had licked forever.

Is the Kingdom of God a Realizable Ideal?

Excerpts from an Address by Bishop G. Bromley Oxnam, President of The Federal Council of the Churches of Christ in America, and Bishop of The Methodist Church, New York. New York, New York, January 31, 1946.

The course of the century will be determined by the decisions of this decade. It can be a century of creative cooperation or a century of continuing conflict. Power must be brought under democratic control, and Justice must be established. If possessors of power refuse to abide by the decisions of the people and fight to retain special privilege, the possibility of change by consent passes and the day of fratricidal conflict emerges. If, on the contrary, the necessity of controlling power based upon ownership is recognized, patriotic Americans can discover in peace the measures essential to justice. We must retain our liberty, use it to establish equality, and thus create the conditions requisite to fraternity.

Equality of consideration does not imply identity of treatment. It does insist upon equal opportunity for all. Equal rights for all include such basic rights as the right to be well-born, the right to a home, the right to an education, the right to work. There is a universal obligation to work, and it must be accompanied by the opportunity for full employment. Men who scoff at the possibility of full employment and cry for the return of the conditions that led to the

unemployment and panic of 1929 are the creators of revolution. President Truman was quite right when in castigating the Congress he demanded that if they rejected his recommendations they should produce constructive proposals of their own.

The sorry spectacle of idle machines, unemployed men, and unused materials present in one place at the same time does not make sense. There is intelligence enough in the United States to bring man, material, and machines together. It is thus that the necessary, the useful, and the beautiful, are produced.

To argue that planning means serfdom is to make ourselves ridiculous. The American Telephone and Telegraph Company plans. The Ford Motor Company plans. The railroads have realized the same necessity, and plan for the tomorrow. Are we to believe that planning is wise everywhere except in the commonwealth itself? Are the people incapable of reaching democratic decision relative to fiscal policy, the development of natural resources, public health, and national defense?

Democracy rests upon an informed and moral electorate. So the forefathers planned an educational system. Our system of public education is a chief bulwark of freedom. We can plan for freedom. We must. Decision must be reached in the matter of objectives. If we believe man is

of infinite worth, then we must plan a social order whose objective is the enrichment of personality. In the Tennessee Valley we may decide the answer of the public corporation is best, because it has enabled us to develop the total resources of a great river for the benefit of the people. It has not been a matter of a power corporation developing power for the profit of its owners, but of the people building dams, controlling floods, reforesting the hills, ending erosion, bringing cheap power to the poor man's home, in a word lifting the life of all. So we use that answer there. In the overwhelming majority of enterprises we may find that free enterprise is best calculated to enrich personality, and we will use it. However, in the vast desert and mountain areas, the collective answer may prove best. Thus we use the means best calculated to reach the ideal. We are moving from competitive struggle to cooperative endeavor in the economic order.

Internationally, we march from selfish nationalism to a sensible internationalism. The nations of the world are assembled in London for the first session of the United Nations Organization. Sinister forces among us seek to divide the allies that won the war. This is to betray the American soldier who gave his life to destroy the totalitarian threat to freedom and to establish world law and order. It was at Munich that representatives of Britain and France put class interest before national interest. Men of fascist spirit are still willing to put class interest before world interest. They must be made impotent by an aroused citizenry that insists that the nations that won the war shall remain allies in winning the peace. The security of the small nation is dependent today upon the agreement of the big. The decisions of great nations in this period of transi-

tion must be in the interest of freeing every nation so that democratic forces may be released, and the decisions of the morrow shall be those of the peoples of the world. The United Nations Organization must be strengthened. The Assembly must turn to the solution of those problems upon which the control of power and the setting up of justice depend. We must be willing to make those changes in our conceptions of sovereignty necessary to a world of law and of order. Russia, Great Britain and the United States must remain allies in the peace, and move forward together to create the conditions in which the responsibility of peace shall not rest upon three great powers but upon a government representative of all the peoples of the earth.

Beneath social change lies an inner demand of modern man. He seeks faith as blind men search for light. There is purpose in the universe, and moral law is written into the nature of things. The moral law must be obeyed if man is to realize his potentialities. Religion must make the nature of that law clear, and give to man the ideals for which he is ready to give himself. Thus man turns to revelation for his absolutes, and to research for the tools with which to rear the structure of his ideals. In Christ man finds the Way, the Truth, the Life. In science he finds the means to walk in the way, to realize the truth, and enrich the life. Ideals are meaningful for most men when beheld incarnate in other men. It was in Jesus that the ultimate became intimate, that perfection came alive in personality, that the eternal Word became flesh. The command "Follow Me" becomes therefore the most important summons of the century. The good society still awaits good men. Man still realizes himself in the complete gift of self to others.

Behind the "Strike" Headlines

Editorial

Newspapers are Big Business. Their headlines, whether the red and black screamers of Hearst-dom or the conservative understatements of the New York Times, all reflect the growing concern of Big Business with industrial strife, a concern which is backed by the editorial columns. "New Strike" chatters the headline linotyper, and the anacination is doubled in the editorial sanctum.

For, while any strike is bad, a "new" strike is of course ten times worse. In headline and editorial column the plain inference is that there is no excuse for the strikes, that their leaders are perverse and self-seeking bureaucrats, the strikers themselves are un-American ingrates who are willfully holding up reconversion, and that Big Business, which won the war, only awaits the end of these malicious work-stoppages to cut loose with a shower of consumer-goods that will make everybody happy and rich.

From the headlines, for instance, one would not guess that the present industrial strife is in reality part of a subtle and well-prepared plan on the part of industry to break the labor unions. Here and there, behind the headlines, an occasional columnist points out the truth.

For instance, in a recent column which is syndicated largely through conservative papers, Marquis W. Childs says this:

"The conviction is growing that organized industry has set out to break organized labor.

"It is hard to believe that the men who wield the power in finance and industry would choose this time for a show-down fight. It threatens the peace and stability not merely of this nation but of the world. Yet the evidence mounts from day to day that this is the decision. Each time a solution seems nearer those

who are directing the fight in the steel industry make new and more difficult demands.

"First a \$4 a ton increase in price was apparently satisfactory. Next it was \$6.25. Even if the government should yield and grant this impossible figure, there is no reason to believe that the industry would settle the strike.

"It does seem true, however, that the only door the industrialists hold open is the door of inflation. A

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Issued monthly, except July, August and September
This issue edited by Alson J. Smith

The METHODIST FEDERATION for SOCIAL SERVICE (Unofficial)

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Re-entered as second class matter October 9, 1941, at the Postoffice at New York, N. Y., under the Act of August 24, 1912

battering ram of propaganda is aimed at wiping out all price controls. If we let prices rise, then we'll get full production, so the argument runs.

"The politics of this industrial struggle cut many ways. Soaring prices would wipe out any economic gains that labor may have made. They could also wipe out the political and legislative gains of the past 12 years.

"Labor would be a conspicuous target to strike at in finding a scapegoat to blame for the economic upheaval. Skilled propagandists would be hard at work to make it seem that the strikes and wage demands were the sole reason why food, shelter, everything, had become almost prohibitively high-priced."

So it is industry with its demands for price-rises and inflation that is on strike against the American public.

Of course, industry is in a good position to force the issue now. According to the Department of Commerce estimate, American corporations in 55 months of war have accumulated \$52 billion in profits *after payment of taxes*. Half of this amount they distributed among themselves as stockholders, and the other half they keep in their bulging corporate treasuries. On top of that business has accumulated another \$30 billion in carry-back credits in taxes. This simply means that if a business enterprise fails to make as much profit as it made before the war, it can ask the U. S. Treasury for a check to make up the difference. The Department of Commerce report adds that in 1946 all corporations are likely to earn more than ever in their history and clear, *after taxes*, \$10,200,000,000.

While poor old government-persecuted private enterprise has been cutting this luscious melon, what has happened to labor? What about that legendary rascal, the high-living war worker who splurges on \$18 silk shirts?

Well, as for that silk shirt, it was in the other war. And if the war-worker did pay \$18 for a shirt during this war, it was because the shirt-manufacturers were letting the \$1.98 models pile up in warehouses until price ceilings could be lifted from them.

But beyond that, the President's Committee on the Cost of Living says that during the 55 months of war the cost of living rose 33%. That is to say, the consumer's dollar was worth only about seventy five cents. At the same time,

food costs went up 50% and clothing costs up 53%. And since poor people spend a larger percentage of their total incomes for food and clothing than do the rich, the cost of living has gone up at least 45% for low income people.

But while all this was going on, wages in general were kept down to the 15% increase known as the "Little Steel" formula.

The Office of War Mobilization and Reconversion has prepared a report called: "Facts Relating to Wage-Price Policy." It was never made public. Here's a quotation:

"When allowance is made for the increase in the cost of living and in personal income taxes during the war period, the value of the average worker's take-home pay in 1941 dollars increased from \$26.64 (a week) to \$31.47, or 18%.

"A money-wage of \$33.96 in 1946 represents 3% less purchasing power than a wage of \$26.64 in 1941. When allowance is made for payment of 1946 income taxes, the purchasing power of take-home pay for the average worker with exemptions for one dependent will be \$23.95 in 1941 dollars, a reduction of 10% from January 1941.

"Between April 1945 and the spring of 1946 total salaries and wages paid will decline by between \$30 and \$35 billion.

"It is estimated that 1946 profits after taxes of manufacturing corporations alone will be over \$6 billion, a figure greater than the war-time peak."

No wonder the report was never made public.

So behind the scare "strike" headlines lies the truth—labor, in striking, is engaged in a defensive battle on behalf of the entire consumer-public against industry-sponsored inflation that would wipe out the wartime hour-wage gains of labor along with the war-bond savings of the small investor. Higher wages are a brake against the kind of ruinous inflation for which industry is asking when it demands the removal of war-time regulations and price ceilings.

The industrial magnates apparently want inflation. At the same time they want to smash the unions. They want "free" enterprise to be so "free" (of all governmental control) that the country will be back where it was in 1928—a few months removed from a disastrous deflation and depression. They may win the fight. But the victory will not be worth anything to them.—A. J. S.

Executive Secretary's Report

Just a few days before writing this copy for the Bulletin, I returned to the national office from a two week trip in Georgia and Alabama—the last extended trip now expected until annual conference time in May. During this brief southeastern trip, a number of new, individual memberships were secured, all on a voting basis. A new and determined local MFSS chapter was organized at the University of Georgia in Athens by a splendid group of student and adult leaders of the Wesley Foundation, who intend through this new MFSS chapter to conduct a significant spearhead program of social education and action. In Alabama, students from Huntington College together with their faculty advisor (all of them—students and advisor—voting MFSS members) assured me that they planned the immediate organization of a Huntington College local MFSS chapter.

After a delightful day in my South Georgia home town (part of it in the fields and woods quail hunting!), the trip took me first to Macon, Georgia where I filled a chapel engagement at Mercer University under the auspices of the Baptist Student Union. At Wesleyan Conservatory in Macon, I had the privilege to meet with a new intercol-

legiate social action group—initially organized by Federation members in Macon during my last southern trip. Also in Macon I had the opportunity of conversations with Emily Britton and Rev. William Erwin, secretary and vice-president respectively of the South Georgia Conference Chapter of MFSS. This South Georgia chapter is new and is not yet our largest conference chapter; but it may well claim distinction as our movement's most frequently acting conference chapter on crucial social issues. Bill Erwin reported that the executive committee is carrying out plans for an action letter to the entire chapter membership on some great social issue every two weeks. The first letter under this plan was on peacetime conscription and very helpful and specific information was given to the individuals receiving the letter as to what they could do to defeat it. The second letter was on behalf of the abolition of the traditional and gross discrimination against the South and its economic progress. It was specifically directed towards undergirding the valiant fight of Governor Ellis Arnall on this issue and toward defeating the Bulwinkle Bill which is against freight rate equality for the South and which nevertheless received

support in the House from two Georgia representatives! A South Georgia action letter on F.E.P.C. was in the hopper and other letters were planned for the future on a regular basis. Responsibility for actual preparation of the letters had been spread. Volunteers had been secured for the necessary routine of mimeographing, stuffing, stamping, addressing and sealing. How many other conference chapters can match the South Georgia Chapter's steady implementation of its social action program—by persistent and specific dealing with the vital issues of the day? What a vast difference it would make in the ethical potency of Methodism and, in fact, in the whole historical scene in America, if all of our chapters were meeting regularly enough and for a lengthy enough period to formulate democratically a significantly prophetic and broad program of action, and if these chapters were blessed with executive committees creative and active enough to give leadership for and to the entire chapter through a specific and continuous grappling with great current social issues!

From Macon I went over to Milledgeville, Georgia, to meet with our strong and active local MFSS chapter there. The girls in our GSCW MFSS chapter have abundantly justified the great faith we have had in them. They meet each Thursday afternoon for up to an hour. They always bring their pencils, cards, and stationery. They take action at each meeting. In fact, they meet not just for fellowship, but to act—and they find rich fellowship indeed in the informed corporate and individual action they take on great social issues in which human, ethical and fundamentally religious values are at stake. In the course of the chapter's existence the members have taken action on local and state matters as well as national and international issues. They have acted with persistence, vigor, and devotion on behalf of a permanent Fair Employment Practices Committee. They also contributed an editorial to their campus newspaper on "The F.E.P.C. and Democracy." In fact this group has made such a significant and intelligent impact that they have been asked to contribute an editorial to each issue of the campus newspaper. . . . Emulation of the action effectiveness of our GSCW chapter may well be regarded as a proper goal for each of our local chapters. Grass roots local chapters have an especially significant role to play in our MFSS structure because they can meet more often and take corporate action more frequently.

One of our young local chapters is at Birmingham-Southern College, members of which I saw in Alabama on this recent trip. Now comes a letter from one of the chapter's student leaders: "We had a meeting tonight and took action. We wrote cards to Senator Hill asking him to support cloture on S 101 and 'cussin' him for his stand against FEPC." Here is another local chapter organized during the October-November southern trip which is clearly on the upgrade—one from which we can rightly expect increased membership and increased action effectiveness.

This is equally true of the intercollegiate MFSS chapter in Atlanta (now bringing together in representative meetings students from Emory and Agnes-Scott). On Saturday, January 26, I enjoyed the privilege of meeting with this chapter and seeing specific action taken on a number of important issues, including the question of American policy in China and the matter of getting Georgia's Senator Russell to permit consideration by the Senate Immigration Committee (which he chairs) of the bill to end the insulting discrimination in immigration and naturalization against Indian nationals.

From Atlanta I went to Athens, Georgia, for an intensive four day participation as the Wesley Foundation speaker in the University's annual Religion-in-Life Week. There was a heavy schedule of platform engagements, classroom lectures, forums in fraternities, sororities, and dormitories. There was a sermon to preach at the First Methodist Church, and meetings with the Wesley Foundation and the W.S.C.S.

Christian Social Relations Group. Then there was the fruitful meeting with MFSS individual members at which a definite local chapter was organized. All of us were inspired at this latter meeting by the leadership shown by a veteran who eagerly joined the Federation and supported the chapter organization, affirming that the fundamental political changes so desperately needed in our land could be intelligently and democratically effected largely through groups like this.

From Athens I went to Tuscaloosa, Alabama (University of Alabama Campus) for the annual Alabama Methodist Student Conference. This was my last engagement before returning to our national office.

The experience with students on this trip was somewhat different from that of recent trips. This was especially true of the University of Georgia where I met (in classroom, fraternity, and dormitory forums) a general cross-section of students by no means picked for specific religious interest or social concern. This was sobering as well as illuminating. One definite impression is that the University students (in distressingly large numbers) are not getting the factual and historical data on which intelligent and sound judgments can be made on the most crucial social and human problems of our day. This was the precise conclusion expressed by an old friend and retired president of a state woman's college—at the conclusion of an hour which I had spent with two language classes at the University—an hour in which I had played the role of posing questions of pertinent and historical fact. A good number of the students held and expressed the fatalistic assumption that the U. S. and Russia are headed for war. When questioned as to the basis for this dangerous assumption it became clear (as our professor friend put it) that these fine and well-meaning students had somehow and somewhere been given an ample share of prejudice and unreasoned fear, but had at the same time failed to get their rightful share of the pertinent historical facts—historical facts, for example, about the long term relations between America and Russia and about the many decisive international developments in the period between the two world wars. . . . Another problem which came up in forums was the problem of race relations in general and specifically Negro-White relationships in particular. Here I was reminded that in the best of families—and even among some University students—"emoting" is often preferred to thinking. In more than one forum I met the insistent idea that the Bible reveals God as having created Negroes as inferiors and servants of Whites. When pressed to provide actual Biblical evidence for this amazing idea a process of unlearning was begun. But the fact that I found this precise illusion more than once indicates that Biblical as well as historical illiteracy is not altogether absent even among university students.

But it would be unrealistic not to expect to uncover prejudice when an honest and non-superficial attempt is made to bare the mind and attitudes of students. The striking, encouraging fact is that many students are ready and determined to break with traditional prejudice and with the traditional inequalities and segregation and discrimination that prejudice has undergirded. This was naturally true of the most religiously active Methodist students in Georgia and Alabama. It was also true of many of the unselected students in the dormitory and fraternity forums (attended by all residents of the respective dormitories and fraternities). Especially did this seem marked among women students at the University of Georgia. They were utterly sure that true Christians must be more than "kind" to human beings cut off from equality and privilege by and in a stratified society. It is rather for them to end the stratifications, share the privileges, equalize the opportunities. This love-seeking-justice is the need, they said—and not the often condescending "kindness" toward one whose inferior status and opportunity is accepted rather than challenged. Because I have come to know personally

growing numbers of such young people in recent months, I am sure that in the case of the fight for Fair Employment Practice, for example, we have lost an important battle, but have by no means lost the war. It is true that no Southern representative or senator (I do not exclude Claude Pepper and Lister Hill) will support F.E.P.C. and that most gave support to the filibuster. It is also true that such supposedly "liberal" papers as the *Atlanta Journal* and the *Birmingham Age-Herald* were on the warpath against the F.E.P.C. and gave support to the disgraceful and anti-democratic filibuster. These Congressmen and these papers claim to speak for the South. They speak for a South and a world of unbrotherliness, inequality, discrimination, "Herrenvolk." But the fascist doctrine of "Herrenvolk" is being defeated across the face of our earth today. Those who say

the filibuster was backed by the people of the South do not take account of the Negro citizenry. They too are people—and people with no less worth. Nor is account taken in such statements of the new and virile sections of the trade movement which have long and vigorously supported Fair Employment Practice and (far ahead of the official and visible Church) have practiced inclusive brotherhood in their own ranks. Nor of the many social idealists—such as those whom I've found everywhere among students in the deep South—and such as those who increasingly join MFSS as individuals and members of developing Federation chapters. As we get more of these members and more of these active chapters we can expect fewer defeats in battles and a speedier brotherhood victory.

Federation Activities and Reports

CALIFORNIA CONFERENCE.—The Social Action Fellowship of the California Conference held a Winter Conference at Laurel Church, Oakland, on January 8. Approximately 65 people attended during the day, and 45 shared the dinner and evening program together. Dr. C. C. McCown, president of the Social Action Fellowship, presided. Among the speakers were Paul Schlipf of PAC, Robert Ash of the A.F. of L., Lester Davis of the Railroad Brotherhoods, Jeffery Cohelan of the A.F. of L., E. Balatti of the C.I.O., and Edgar Wilson, representing "Agricultural Labor." Other speakers were Donald K. Grant, of the Guy F. Atkinson Construction Co., Anthony Middleton of the Pacific Grape Products Co., and Stanley Wood, Attorney.

The Social Action Fellowship gathered again at Trinity Church, Berkeley, on February 18th, for a pre-Conference planning session.

ALABAMA CONFERENCE.—The Alabama Conference now has a Conference Chapter of the Methodist Federation for Social Service, with 100 voting members drawn from four classifications—clergymen, laymen, laywomen, and

youth. The group decided to hold two meetings annually, one at Annual Conference and the other in June at the Leadership School.

At the Annual Conference meeting two social issues were raised and acted upon by the members present—peace time conscription and the poll-tax—to both of which, of course, the group voted opposition.

SOUTH GEORGIA CONFERENCE.—The recently-organized Conference chapter is striving to obtain 100 members by the time the Pastor's School meets in June. Each present member of the Chapter is asked to obtain at least three new members during the next five months. A person in each of the eight districts of the South Georgia Conference has been asked to serve as contact person in his district for the Federation.

The Chapter has also written to Governor Arnall to commend him for his stand on the poll tax, the reform of the penal system, and the achievement of fair freight rates for Georgia. A letter was also sent to Senator George asking him to support the Federal F.E.P.C. bill, which he refused to do.

The Federation Mailbag

Headquarters

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22 December 1945

Methodist Federation for Social Service
150 Fifth Ave., New York

Dear Sirs: My wife writes that the BULLETIN is coming to her regularly and is a continued source of inspiration. I trust that the work of the Federation is continuing to grow and prosper, though I am not able to keep informed of its activities or share in its program. I can think of no organization that represents as well the religious needs of our age.

When one lives in a country like this and sees the effect of conservative religion upon life and social morals, one prays for a new birth of the spirit of the MFSS in many parts of the earth. Enclosed is a small contribution to the work.—Edgar N. Jackson, Chaplain (Capt.), USA, Serving in Greece.

"Life is action and passion. I think it is required of a man that he should share the action and passion of his time at peril of being judged not to have lived.

"Through our great good fortune, in our youth our hearts were touched with fire (Civil War). It was given to us to know that life is a profound and passionate thing."—Oliver Wendell Holmes, Jr., in a Memorial Day speech at Keene, N. H. in 1884.

An Associated Press Dispatch on the death of Mrs. Sara King Iselin of New York and Newport "She was known as the most exclusive of the 'great ladies' of the city. No new names had been added to her invitation list in 25 years."

Social Issues in Today's World

The General Welfare

THE WORLD IS MOVING AWAY FROM EXTREME INDIVIDUALISM in the direction of greater social control. "Socialism" is increasing. Some people welcome this trend. Others deplore it.

But whether it is good or bad depends on what kind of socialism we are talking about. Certainly nobody could welcome "National Socialism." Yet, that was a form of socialism, just as the present British government is a form of socialism. They are surely not the same. Russia has a kind of state socialism, not like either of these two. New Zealand has a lot of socialism which is unlike any of these.

What can Christians welcome, and what reject in this present trend toward socialism?

1. We must, in the first place, maintain clear and unmistakable democratic control over the government. A dictatorship in government is bad enough when there is little state socialism. It is fatal when state socialism is far advanced. There were a vast number of people working for the government in Germany when Hitler took over. They were dependent on the state for their very lives. When Hitler got control of the state, they were afraid to resist him, for they had no economic security apart from their job with the state.

2. We must seek enough centralizing of authority to get things done, and resist that measure of centralized authority which will abridge the rights of the citizens. It is a mistake to assume that civil rights are threatened only by a strong central government. A strong central government may be the final protection of the little fellow against local prejudice and injustice. For example, the bill of rights in our national constitution has again and again come to the rescue of Negroes, religious minorities, etc., who have been the victims of local politicians or mob violence.

3. We must seek more public ownership, such as cooperatively owned enterprise, and be wary about the extent of government ownership which we support. Those functions, such as railroads, natural resources, power plants, etc. which cut across state lines, fall naturally into the category of state ownership. But the trend must not go too far.

4. We must safeguard the rights of individuals to hold property. This is not easy to remember when the institution of private property itself seems almost more powerful than government. But the right of the individual to own and control property, within certain definite limits of social responsibility, must not be abridged. One of the contradictions in our present system of private property, is the tendency for property to be represented by certificates of ownership, with absentee ownership the normal thing, and the control of that property vested in a small and powerful managerial group.

There seems little doubt that the next fifty years in America will see a vast increase of socialization. The question is: How much, and what kind of socialism? The "right" kind may mean more abundant life. The "wrong" kind may mean the end of opportunity and the beginning of serfdom for multitudes of people.—OWEN M. GEER.

Editor's note—This article entitled "How Much Socialism?" was published originally in "The Community News," published by the Mt. Olivet (Dearborn, Mich.) Community Church, of which Mr. Geer is the pastor. It is a fine presentation of what has become known as the "social-democratic" point of view—the "point d'appui" of British Laborites, extreme "New Dealers," Vienna Socialists, etc. The point of view of the Second International as over against that of both the world's conservatives and the Third (Communist) International. You are hereby invited to write in to the "Federation Mail-Bag" column and tell us what you think.—A. J. S.

WILL ATOM-BOMB TESTS TURN ENGLAND GLACIAL? That is what a certain eastern nuclear specialist sees as a distinct possibility if one of the tests at sea should get out of control. Britain and western Europe have the latitude of Labrador. If the Gulf Stream were diverted from its course, the British Isles would become centers for an Eskimo civilization. If calculations went wrong in a Pacific test, California, Oregon, and Washington could quite possibly be converted into frigid areas pleasanter for seals than humans. This expert was angry at the idea of having tests at all. "No more bombs should be made or used for any purpose," he declared.

Wiping out New York, said this famous physicist, would be easy when the "know-how" gets around. "All you would have to do would be to cook up a small bomb, drop it into the ocean off Manhattan, and six feet of water would sweep across the highest point of that island, cutting off power and drowning everybody in the subways."

PORTUGAL STOOD PAT as a result of last fall's "elections" in which the anti-Salazar and pro-democratic elements refused to go through the farce of trying to express oppositionist opinion by the ballot. But from far-off Portuguese East Africa comes evidence of a healthy determination there to work for genuine democracy, in the hope of achieving better government both in Portugal itself and in the colonies. A crowd of 2,000 capably led by bold and balanced spokesmen, adopted in open meeting a strong set of resolutions demanding democratic polling privileges, asking for a clean-up of controlled election lists, and stating that "the call for a democratic regime is clamant and cannot long be denied." These resolutions were forwarded unequivocally directly to the Lisbon bosses!

WATSON, LOVETT, DODD VINDICATED. Three federal employees dismissed in 1943 by act of Congress after Dies Committee allegations that they held "subversive" political views, won vindication in a decision of the U. S. Court of Claims handed down November 5. The court granted back pay claims made by Robert Morris Lovett, former assistant to the Governor of the Virgin Islands; Goodwin B. Watson and William E. Dodd, Jr., both former executives of the Federal Communications Commission. Their suit was conducted on a joint basis by the U. S. Attorney-General and Charles A. Horsky, Washington counsel for the American Civil Liberties Union, who maintained that Congress action in passing a rider to the Deficiency Appropriation Bill of 1943 specifically barring the payment of salaries to the three men was unconstitutional.

Race Relations

RECENT DISCLOSURES OF DISCRIMINATION against Jews, Catholics, and Negroes in colleges and universities in New York have led to a proposal for a great State university where no such discrimination would be allowed. However, it has been pointed out that such a State university would automatically become a segregation center for youth seeking education but barred from other institutions. It would at once acquire a name and reputation which would reflect upon its graduates when they come to seek employment or connections with professional institutions.

A better solution would seem to lie in the exposure of the discriminating colleges and universities and the bringing to bear of enough public opinion—and perhaps financial pressure—to end such discrimination.

TRADITIONAL SOUTHERN LAWS providing separate accommodations for Negro passengers on trains and

buses will be challenged before the U. S. Supreme Court in an appeal by Irene Morgan, scheduled for hearing early in 1946. It will be the first time in more than 50 years that the high court will be called to pass directly upon the legality of Jim Crow laws as applied to interstate travel. The American Civil Liberties Union will support Miss Morgan's appeal with a brief as friend of the court, and other organizations are expected to join. The Supreme Court will be urged to reverse its traditional position in racial discrimination cases that segregation is legal provided equal accommodations are furnished.

THE FEDERAL F.E.P.C. BILL has again been allowed to die in Congress as the result of the failure of the proponents of the bill to secure the necessary two-thirds majority required to invoke cloture. A good deal of responsibility for the failure must lie with President Truman for not applying pressure on Democratic senators for the passage of the bill.

President Truman had earlier knifed the whole principle of FEPC with power to enforce its decisions by prohibiting issuance of a directive order to cease discrimination which was prepared by FEPC against the Capitol Transit Company of Washington. Truman then drove the dagger home by issuing a new executive order limiting the work of FEPC to "investigation" of whether there is discrimination in employment!

Rural Welfare

THE CHRISTIAN RURAL FELLOWSHIP BULLETIN carries the following statement of aims of the organization on its masthead: *"To promote Christian ideals for agriculture and rural life; to interpret the spiritual and religious values which inhere in the processes of agriculture and the relationships of rural life; to magnify and dignify the rural church; to provide a means of fellowship and cooperation among rural agencies: Toward a Christian Rural Civilization."*

A recent issue of this bulletin carries an interesting article on "Community" by Leslie Stubbings of West Byfleet, Surrey, England. Among other things, Mr. Stubbings has this to say about worship:

"Worship? Some of us maybe have never set much store by religion, associating it simply with the idea of half-empty churches, half-understood phrases and orders of service that seemed somehow to have little relation to the everyday life we were up against.

"But it matters still that One who spoke with a strange authority once told the men and women who gathered around Him: 'I am the Way, the Truth, and the Life.' It is said also that the common folk—like you and me and the folk next door—heard Him *gladly*.

"Many, during these past years—sometimes in moments of acute stress—have begun to find for themselves something of the meaning behind those tremendous words. But at all times through the centuries, those who have 'heard Him gladly' have discovered that a new way of life was beginning to open up within them and around them—a way in which their neighbor had also his part and place.

"We too—if we are going to get down to the bedrock of community, to build upon a foundation that will take the stresses of the years ahead—we too must listen."

Cooperation

THE CLOSE OF THE YEAR which has witnessed a 14% increase in wholesale volume over 1944 finds cooperative associations in the eastern area anticipating a far larger volume in 1946 with wholesale expansion into departments

to handle fresh meat and frozen foods and plans for the opening of new warehouses in the Baltimore-Washington and Hartford, Conn. areas. This was reported by J. G. Castner, operations manager of Eastern Cooperative Wholesale, who summarized recent developments for the *New York Journal of Commerce*.

"The 240 retail outlets affiliated with the ECW had a total retail volume of \$16,800,000 in 1945 and purchases through the wholesale were about \$4,653,000. We expect at least a 25% increase in 1946, which would bring total retail volume to about \$21,000,000 and wholesale volume to between \$5,750,000 and \$6,000,000.

"In 1936, when ECW began its warehouse program, wholesale volume was only \$285,000 and only 14 stores were served. However, growth continued, increasing from 20% to 35% per year with the result that in 1940 sales were \$1,560,000 and in 1944, \$4,091,066. The initial line of commodities included only staple groceries but gradually other foods have been added. Butter and other dairy products have been carried for about six years; fresh produce, which was started about three years ago, has obtained considerable volume.

"Our post war plans include the setting up of departments to handle fresh meat and frozen foods, with greater emphasis on the distribution of perishable foods as well as greatly augmented volume. Two new warehouses will be opened in the Baltimore-Washington and Hartford, Conn. areas. Branch warehouses are operated in Boston and Philadelphia with main offices and warehouse in New York.

"CO-OP pioneered in grade and informative labels so that on many CO-OP cans, housewives can tell at a glance not only the use of a product but its quality indicated by simple A, B, or C grades according to standards set up by the U. S. Department of Agriculture. The serious discussions about mandatory grade labeling are only of academic interest to us. As a consumer-owned organization, we know that the consumer members of our organization welcome grade labels and our experience has proved that it is practicable to give it to them."

Federation members, of course, are boosters for Consumer-Cooperatives. It would be interesting to know exactly how many of our members actually belong to cooperatives and have been active in organizing them.

SECRETARY OF AGRICULTURE CLINTON P. ANDERSON recently made a speech in Chicago in which he stated that big corporations probably would have taken over "as much of agriculture as they have of other parts of our economy" if it had not been for the growth of cooperatives and government encouragement of family type farms.

Speaking at the annual meeting of the National Council of Farmer Cooperatives, he said cooperatives have served as the individual farmer's strongest weapon against big business in agriculture.

Farmers and other small businessmen, he said, could compete against the "economic giants" only by becoming just as efficient as the large operators and that farmer cooperatives were the grower's best answer to big business.

Humility is a virtue all preach, none practice, and yet everybody is content to hear. The master thinks it good doctrine for his servant, the laity for the clergy, and the clergy for the laity.—John Selden.

Books and Pamphlets

The Challenge of Red China, by Gunther Stein (Whittlesey House, McGraw-Hill, New York, 490 pp., \$3.50). Reviewed by L. Earl Willmott.*

This is the book I have been looking for. Living in Chengtu, West China, during these war years, we have been confused by contradictory stories of conditions in Communist-controlled China. The official news agencies of the National Government poured out reports of oppression of the people, inaction against Japanese armies, and attacks against the Government. Individuals coming through the Red areas gave general impressions of democratic progress and active fighting against the Japanese. What was the truth? We longed for a careful, objective, comprehensive study. And now here it is.

My impression of Mr. Stein, when he visited us in Chengtu, was that he was a man who would take infinite pains to find out the facts, that he was far more interested in people knowing and understanding the real situation than in what they thought of him. And this book corroborates that impression. The reader knows that he is listening to a man who through years of careful observation in China knows China, and a man who is not a propagandist but who gives us an unbiased report based on persistent questioning and checking.

But although Mr. Stein is an economist and examines data in the spirit of scientific research, he gives us an intensely human report. We meet so many interesting people. There are statistics here and there, and we are introduced to quite profound discussion of social philosophy now and again, but primarily our author is concerned with *people*. Fascinating vignettes of a variety of persons allow us to see this New China not only through the eyes of our scientific observer-author, but as seen and experienced by army commander and private soldier, rich landlord and poor peasant, Communist leader and Kuomintang official, Christian minister and Japanese prisoner, woman writer and university president, Farm Labor Hero and U. S. Army colonel, English professor of economics and Chinese merchant.

Whatever your interest you will find stimulation and challenge. Those whose interest is in evaluating the war effort of China and the part played by the Chinese Communists will find a wealth of information, and will understand why the Japanese news agency wrote in April 1944: "The major hindrance to (Japan's) peace in Eastern Asia is no longer the Chungking Government but the Chinese Communist Party."

If you are interested in Medical work, you will be impressed by the evidence of the progress they have made in spite of great lacks, which leads Mr. Stein to conclude: "From all I heard and saw I have no doubt that the soldiers and the masses of the people are already getting better medical services in the Communist-controlled part of China than they do on the Kuomintang side."

An educationist will be led to serious consideration of the methods employed to reduce illiteracy from 95 per cent to 20 per cent in ten years. He will also be interested in the abandonment by the Communist leaders of the general introduction of the Latinized script and of compulsory elementary education because of the opposition of the people. New types of school have been found to meet the special conditions and the needs of the people, for all the policies of the New Democracy are primarily of an educational nature.

The agriculturalist will want to know how production was raised so that there was a 50 per cent increase in popular food consumption and a 150 per cent increase in per capita grain reserves held by the peasants from the period immediately before the harvest of 1940 to that of the 1943 harvest. The financier will be surprised to learn how the government has balanced its budget at the same time as it reduced the tax burden of the peasantry. And the one interested in the judicial phase of social organization will want to study how the people's courts implement the policy of "convert and win over" criminals and "explain and arbitrate" quarrels.

Students of Marxism will find much to think about in the careful explanation given by Mao Tse-tung, chairman of the Communist Party of China, of why they call themselves "Communist" when their New Democracy is so different from Russian Communist practice. He distinguishes between "the Commu-

nist method of observing, studying, and solving social problems" on the one hand, and "the Communist system of social organization which is the final political aim of their system of thought" on the other. "Without the Communist method of thinking," says Mao, "we would be unable to direct the present stage of our social revolution." But "the immediate practice of a Communist social system is impossible on account of the concrete conditions in China which make Communism unfeasible for a very long time to come."

"There is no tendency to follow Moscow," says Mr. Stein. "The thorough Sinification of Communist practices in their application to Chinese society impressed me as an undeniable fact. . . . They keep their ears to the ground—to Chinese ground, not to Radio Moscow. . . . They consider themselves as little in need of advice from any foreign Communist party as Moscow does." And from the evidence presented we feel confident that that is true.

To me the most interesting point in the book is one which appears again and again—the way matters are decided by discussion. The commander of a brigade which was recalled from the front and which wanted only to continue fighting the Japanese called his men together for "many discussions" on Mao Tse-tung's order and on how they could produce their own food by farming the unused poor land where they were stationed. "Differences of opinion within our ranks," says Mao Tse-tung, "are always solved in a democratic way, by discussion and analysis of the problems in question." Some of the students at Yen-an University expressed the opinion that "the kind of Fascism Chiang Kai-shek advocates in his book *China's Destiny* is good for China, for the Chinese people are still too illiterate and ignorant for democracy." There followed long, concrete discussions in large meetings of students and teachers, during which these students were convinced of their mistake.

The New Democracy trains the people to participate in social affairs not only by choosing their representatives in the government—and the only limitation put upon whom they may choose is that not more than one-third of any council or governing body may be Communists—but also by continual criticism and discussion. Speaking of the common sense and ingenuity of the Chinese people and their fundamentally democratic approach to social life, Mr. Stein says, "Given their first opportunity to practice these great qualities in an atmosphere of encouragement rather than of restraint, the common people themselves became the creators of a new society."

One sees so clearly how the program of the New Democracy—whether it is the vigorous conduct of the war against Japan, or the elimination of corruption, or the extension of industrial co-operatives, or the literacy or health program—is based on the effort of the people themselves. Mr. Stein closes his chapter on "Laboratories of Self-Government" with the statement: "Self-government is now so implanted in the thinking and habits of the common people and the majority of the gentry that the Communists could no longer stop the steady growth of its inherent strength, even if they chose to do so."

Of the several foreign missionaries and Chinese Christians whom Mr. Stein met in Red China not one had seen or heard of any discrimination against Christians, and all spoke of the cordial attitude of the leaders toward Christianity. This was confirmed by one of the high Communist leaders who told Mr. Stein that they were anxious to see Protestant missionaries return to Communist-controlled areas (as well as Catholic, who had already made arrangements to get back their property as soon as fathers arrived to use it).

The director of the Medical Department was a Christian. He said, "I am convinced that Christianity and Communism have much in common. Christ helped the poor. And Christ was anti-Fascist. . . ." A Christian minister, popularly nicknamed the "Bishop" because of his religious devotion, who was sent to Moscow in 1926 and came back to join the Communist party, said, "I am still a Christian. The party knows of it and does not object. I have even converted a few Comrades. Jesus was the leader of the revolution of his time. His aim was to change society so that everybody would be free and happy."

There are a number of very exciting moments in the reading of Mr. Stein's book: when he meets two men who had escaped from the Kuomintang concentration camp at Sian and explained the extraordinary things the newspapermen saw and heard on their visit there and how it had all been staged for their benefit; when two of the "living corpses"—men whom the Kuomintang had told the world had been killed by the Communists—suddenly appeared and challenged each Kuomintang member of the group to recognize them; when the U. S. Army Observer Section arrived by air at Yen-an—what a jolly time

* L. Earl Willmott as been an educational missionary in China since 1921, latterly connected with the West China Union University in Chengtu, West China, and now on furlough in America preparing to return to China this summer.

those lads had with the Chinese there; when we meet Okano, the leading Japanese Communist, and his dramatic players of the Japanese People's Emancipation League and see their vivid portrayal of a group of Japanese soldiers revolting from their army to join the J.P.E.L., and we learn of Okano's program for post-war Japan and of how closely it resembles the New Democracy of China; and when we are presented with evidence of the come-back which the Japanese militarists were planning for after the war, and we realize with a tremor of apprehension that things are working out as they had foreseen, especially in the reinstatement of the Chinese puppets.

The Challenge of Red China! This book is indeed a challenge: to all workers in the Christian Church in China to re-evaluate their work in the light of the potentialities of the Chinese people revealed here; to all Christians in America to reconsider what the Church is doing to make it possible for people to live more righteously, more freely and more richly; to all American citizens who believe in democracy to take steps to ensure that U. S. foreign policy does not take sides against the New Democracy; and to all American people to re-think what democracy means and to throw their weight on the side of the forces that are working for democracy!

The Road to Serfdom, Friedrich A. Hayek (The University of Chicago Press, Chicago, 250 pp., \$2.75.) This book will give much aid and comfort to the enemies of all we stand for. It is also a challenge to us to check the course of the road that we have taken into the future. Written by an Austrian professor of economics, for some years on the faculty of the London School of Economics, it is a political book, as he frankly says. So it does not use the scientific method of analysis of data, but the philosophic method of argumentation. The author is defending his belief in the Nineteenth Century philosophy of individualism. His guiding principle is "that a policy of freedom for the individual is the only truly progressive policy." So he attacks with every weapon at his command economic planning, and all forms of collectivism, as deadly enemies of freedom.

Hayek's main thesis is that economic planning necessarily leads to the dictatorial, regimented state. His secondary thesis is that the rise of fascism and nazism was not "a reaction against the socialist trends of the preceding period but the outcome of them." Dovetailing these, he concludes that, because of the amount of demand for economic planning there is in England and the United States and because economic planning is the necessary form of organization for all kinds of socialism, these countries have set out on the same road that Germany traveled, are on the way to the totalitarian state.

At first this is stated as a probability but before long we are told, "That democratic socialism, the great utopia of the last few generations, is not only unachievable, but that to strive for it produces something so different that few of those who now wish it would be prepared to accept the consequences . . ." From then on we are stopped short again and again by Olympian statements to the same effect, on the assumption that this has been completely proved. We are repeatedly told that there is no alternative to the all-powerful, coercive state and the automatic working of the impersonal forces of the competitive market. So "the road to freedom" is transformed into "the road to serfdom" to become the scare-head title, with a chain pictured on the jacket, of a book published by a university press.

There is nothing new about Hayek's argument concerning the relation of economic planning to freedom, except the absurd lengths to which he carries it. Practically all of it was said by Belloc thirty years ago in "The Servile State." Like the same argument by our American anti-planners, Lippman and Chamberlain, it proceeds from an assumption which conceals the conclusion in the premise. That assumption is that economic planning means overhead planning by the state or some authority to whom state power has been delegated. On almost every other page of the book the words "the central state", "controller", "the authority" appear in place of the term "economic planning" in which the general thesis is stated. To individualistic liberals the state is always an overhead regulating agency. Its democracy is limited to doing things for the people. To give this state the powers involved in overall economic planning would of course make it authoritarian and totalitarian. That is self evident. It does not need pages of argument. Those socially-minded Christians who have been thinking of the future in terms of a state-planned economy will be unsettled by Hayek's book. They need to be. But those who have been thinking of economic planning by the people for themselves will proceed upon their course, untroubled by an obvious fallacy.

The argument that there is something in the nature of planning that requires it to be totalitarian is completely disproved

by developments in the Soviet Union, the only land where complete social-economic planning has been tried. Since the five-year plans went in the government has become less totalitarian, not more. A more democratic constitution has been adopted. This is because the planning was actual economic democracy, all the workers and technicians cooperating with the planning experts in making the plan and sharing in the control of the results. So political democracy has followed economic democracy.

The time has come when the case for or against planning is being settled by history, not by academic argument. It is being settled in Russia and the United States. The one is succeeding with socialist planning; the other attempting democratic capitalist planning. Both have plenty of difficulties to overcome. As I read Hayek I found my experience and study in the Soviet Union, and the data gathered since, contradicting every one of his assertions about what overall planning would do to people. There it does not destroy the initiative and the morals of the people; it does not bring the worst people to the top.

Also the Soviet Union has completely exploded the old fallacy, which Hayek belabors again, that modern life is too complex to be understood, let alone planned. Of course it is for any one man or one group of experts. But the complex Soviet plan and the sureness of the results show that what the people cannot do separately they can do together. This includes the problem of uniting many nationalities—some advanced, others backward—which to Hayek, is beyond the moral capacities of man. He does not understand that by his faith in the impersonal, spontaneous forces of competition, his insistence that life is so complex that man can never understand enough of it to successfully consciously control it, he is setting arbitrary limits to man's moral development.

The evidence offered by Hayek in support of his secondary thesis that fascist and nazism were a development of preceding socialist trends and not a reaction against them is so selected, so lacking in any mention, let alone weighing, of contrary trends, that Prof. Hansen of Harvard, after summing it up in his article in the *New Republic*, (January 1, 1945) properly observes that by such methods any theory of history one chooses to select can be proved.

Concerning the current trends in England and the United States he talks in terms only of the current of ideas as though they determined the course of history regardless of economic forces, except for a slight recognition of the British trend toward state supported cartels. There again the counter forces are ignored, and the value of his protest is lessened by his emphasis upon the kind of talk he hears in intellectual circles, and his acceptance of the saying that support of social security measures means that "we are all socialists now."

As for the United States the situation is almost exactly contrary to his thesis. Our "ruling ideas," as he calls them, are those of his beloved "free enterprise" to which even those who are striving for some planned social and economic security under a capitalist economy must profess allegiance. Since the size of our war economy and the greater size of our post-war needs compel us to measures of state capitalism, our danger is not socialist planning developing into fascism, but a fascist instead of a democratic state capitalism taking us into a fascist political state. That can happen under the illusion of preserving "free enterprise," exactly the illusion that Hayek is strengthening.

So instead of warning and help he brings us only more confusion and danger. On the national scene he adds to the "free enterprise" propaganda of our most reactionary forces. On the international scene he provides more ammunition for our isolationists and imperialists. His contention that international planning is impossible, his glorification of competition is intellectual underpinning for their exact position in the aviation conference. And if they are not defeated, they will wreck the world again.

The irony of this situation is that these men whose propagandists will use him as their academic authority will never read him enough to see how at the end, in the one practical proposal he permits himself to advance, he completely nullifies his whole argument. For this man who contends that international economic planning involves a supernational political body with power to coerce every nation and all people in it—an unthinkable monstrosity—actually advocates an international political authority which can effectively limit the powers of the state over the individual, as one of the best safeguards of peace. Such coercion he thinks would lead to a "community of nations of free men."—HARRY F. WARD.

(Reprinted from the Feb., 1945, number at the request of many of our members.)